

NIH POLICY MANUAL
26101-25-2-2 PERSONAL PROPERTY MANAGEMENT GUIDE: AUTHORITIES AND RESPONSIBILITIES IN PERSONAL PROPERTY MANAGEMENT

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1. Explanation of Material Transmitted: This new chapter contains NIH authorities and responsibilities in personal property management. Previously, NIH manual 26101-25-2, Personal Property Management Guide (PPMG), sections E, F G and Appendices III, IV & VII contained information regarding this subject. Remove those sections and appendices, and reference this chapter, 26101-25-2-2. Eventually, the PPMG will be replaced with separate NIH manuals on NIH personal property management policy and procedure issues.

2. Filing Instructions:

Remove: Sections E, F, G and Appendices III, IV, & VII of NIH Manual Chapter 26101-25-2.

Replaced by: 26101-25-2-2 dated 2/6/01

The on-line version at <http://www3.od.nih.gov/oma/manualchapters/acquisitions/26101-25-2-9/> has been updated to reflect these changes. The replacement on-line version may be found at <http://www3.od.nih.gov/oma/manualchapters/acquisitions/26101-25-2-2>.

PLEASE NOTE:

For information on the NIH Manual System, please call the Office of Management Assessment on 496-2832 or go to <http://www3.od.nih.gov/oma/manualchapters/>.

For questions on this chapter, contact the Office of Logistics and Acquisition Operations, Division of Personal Property Services on 496-5711.

PERSONAL PROPERTY MANAGEMENT GUIDE: AUTHORITIES AND RESPONSIBILITIES IN PERSONAL PROPERTY MANAGEMENT

A. General

Personal property management duties are not limited to Property Custodial Officers (PCOs) and IC NIH Property Management Personnel. The effective execution of property management tasks requires the involvement of all individuals at all levels of the organization. This chapter defines the responsibilities of all NIH personnel involved in the management of property. In addition, this chapter provides the appointment procedures and training requirements associated with appointment to property management positions.

B. All NIH Property Users

Responsibility for the care and protection of Government property is an obligation inherent in every position occupied by Government personnel. This responsibility is set forth in the DHHS Standards of Conduct regulations codified in 45 CFR 73.735-304. Property management responsibilities are not limited to permanent personnel, but also include temporary personnel, personnel in fellowship positions, volunteers, and visiting scientists, when Government property is made available to them for the discharge of their official duties, including research. Personnel must realize that they are not the owners, but the temporary users and caretakers of Government property. More specifically:

1. NIH personnel shall not use, or permit any other person to use, Government property for any purpose not authorized by law, except in cases of actual emergencies threatening the loss of life or property.
2. NIH personnel shall not appropriate for personal use any article of property, including property ordered to be abandoned, destroyed or property that is in scrap condition.
3. When NIH personnel they suspect the theft of property on the NIH campus, NIH personnel shall notify the NIH police. Off campus, NIH personnel shall notify the appropriate local law enforcement authority (Montgomery County Police, Baltimore City or County Policy, etc.). NIH personnel may also choose to report theft of Federal property to the Inspector General or to the NIH, Office of the Director, Office of Administration, Office of Management Assessment.

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4. NIH personnel shall notify the IC PCO of stolen, lost, destroyed or damaged Government property. NIH personnel shall report stolen, lost, destroyed or damaged Government property in accordance with 26101-25-2-16 PERSONAL PROPERTY MANAGEMENT GUIDE: Resolution of Loss, Damage and/or Destruction of Government Property, this document may be found at:
<http://www3.od.nih.gov/oma/manualchapters/acquisitions/26101-25-2-16/>
5. NIH personnel shall not remove property from a building unless removal of the property is authorized by the Supervisor and recorded by the IC PCO, using a form NIH 368 "Property Pass" or a "Personal Custody Receipt."
6. NIH personnel are considered "accountable users" of any accountable property assigned to them for their work. They do not own the property that NIH provides them. Property provided by NIH does not necessarily accompany individuals who transfer between NIH activities. Property does not move with an employee whose research projects or programs are moving to other Government agencies or to non-Government activities. Whenever an individual leaves the employ of NIH or of a component of NIH, they must return all property or otherwise account for all accountable property and any other items for which the individual is personally responsible (e.g. property which was controlled by a personal custody receipt). Failure to produce property or to provide proof that the property was appropriately returned to NIH may result in personal liability of the accountable user for the missing items.
7. NIH personnel shall decontaminate, empty, clean and make safe all property used or controlled by the person prior to transfer, movement or disposal.
8. The individual accountable user of Government property must report, to their PCO, any property that comes into their possession and which qualifies for control under this guidance.
9. Users must report to their PCO any change to the status or condition of property in their possession. Users of property are responsible for that property until and unless they can provide written proof that the property was passed to another party.

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C. IC Receiving Officials

As the entry point for new property into the property system, the receiving activity is one of the most critical tasks performed in the property management process. To assure that custody of property is maintained after receipt and that accurate property records are established in a timely manner, receiving officials will:

1. Inspect all new items to assure the receipt of proper quantities, acceptable condition, and compliance with specifications and standards of the acquisition document or agreement.
2. Update the automated systems with sufficient, correct information to establish the property record, and/or provide written documentation, sufficient to establish the property record, to the PCO.
3. Notify the PCO of the property's existence within 3 working days of actual receipt and acceptance of the items.
4. Secure all items of property to prohibit removal before PCO action.

Receiving procedures are contained in the chapter of the same name.

D. Supervisors and Managers

Managers and Supervisors are the primary officials responsible for the appropriate use, maintenance and management of Government property within their areas of responsibility. These management responsibilities include, but are not limited to:

1. Acquisition and utilization of the minimum amount of property at the lowest cost necessary to fulfill the organization's mission; consideration of sources of excess property to satisfy program requirements; and the care, maintenance, accountability and security of assigned property.
2. Understanding the requirements of the NIH property management program, reviewing property security, monitoring the management of their property through information feedback and routine reports, and taking corrective action where necessary.

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3. Protection of assigned property from loss, theft and damage. This includes avoiding and preventing improper actions, such as unauthorized loans, transfers, foreign donations, cannibalization of property (scrapping for parts), as well as removal of property without a properly executed form NIH 368 "Property Pass" or "Personal Custody Receipt."
4. Control of all accountable property in their area of responsibility.
5. Providing their PCO all relevant information affecting property in their program areas. This includes assuring that all property is properly decayed prior to putting items into service.
6. When supervisors become aware that an item of property has been stolen, lost, or damaged, they shall assure that appropriate police organization(s) are notified and assure that the accountable user initiates the form HHS 342 "Report of Survey."
7. Executing the recommendations of a survey board, including those regarding the administration of disciplinary actions to NIH Personnel under their supervision.
8. Requesting a physical inventory of property and reconciliation of discrepancies prior to departure of subordinates. See NIH Manual Chapter 2300-9400 at the following website: <http://www3.od.nih.gov/oma/manualchapters/person/2300-940/>. This is particularly critical in the departure of subordinate supervisors and PCOs. This is necessary in order to relieve the departing supervisor or PCO of accountability for the property. Until the subordinate supervisory position is filled, the higher-level supervisor is responsible for the property in the subordinate's organization.
9. Review of and approval of any off-site use of Government property by NIH employees.
10. Performing PCO or IC Property Accountability Officer (ICPAO) responsibilities when their subordinate PCO or ICPAO positions are vacant.
11. Assure that PCOs receive prescribed training before appointment or no later than one year after appointment.

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E. Property Custodial Officers

Property Custodial Officers (PCOs) are the individuals responsible for maintenance of personal property records. As such, they must remain aware of all changes to personal property occurring in their Custodial Accounts. They are also the property users initial point of contact with the property system. They must maintain a working knowledge of property management rules and regulations and be able to assist property users, supervisors and managers in the management of NIH property.

1. Training and Appointment of PCOs

- a. PCOs are recommended by supervisors and managers within their organizations, are nominated by the ICPAO and are appointed, in writing, by the IC Executive Officer.
- b. The new PCO and the exiting PCO must conduct a joint inventory of property and resolve any discrepancies before accountability is passed from the old PCO to the new PCO. It is the responsibility of the exiting PCO to provide all documents, Reports of Survey, etc. needed for resolution of discrepancies. A list of property assigned to the property custodial account may be obtained from the NIH Data Warehouse. If the PCO is no longer available, the Supervisor assumes their responsibilities and must assist in the reconciliation. Supervisors should not release PCOs before completion of this inventory.
- c. PCOs should be trained before assuming their duties. There are two requirements. Initially PCOs should complete and obtain PCO certification from the DHHS Personal Property Management training. This training is CD-ROM based and may be completed at the PCOs own desk. The ICPAO may contact the DPPS for copies of this training. The second requirement is the NIH Human Resource Development Division's "Introduction to NIH Property Management" course 2622.

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- d. If PCOs have not received training, their appointments are conditional. PCOs must complete, and receive certification on the HHS coursework for Personal Property Management within the first three months of their conditional appointment. They must also complete NIH specific property management training within the first six months of their appointment. If PCOs fail to complete the training requirement within the first year, the responsibilities revert to the Supervisor.

2. PCO Duties

- a. Be familiar with and advise staff on property directives, inventory procedures, and other related property matters. Report to the ICPAO all inventory shortages or overages and any changes affecting assigned property.
- b. Prepare, process and retain the required documents covering the acquisition, transfer, clearance, loan, etc. of property, including obtaining receipt signatures for personal custody property. See NIH Manual Chapter 1743, Keeping and Destroying Records, Part 2, Section 2600 Procurement, Property & Supply for more information.
- c. Identify and affix an NIH decal to all accountable property items delivered directly from vendors to ordering offices, items received at field stations, fabricated property and contractor-installed property for responsible custodial area.
- d. Encourage, to the fullest extent possible, use of unrequired or excess property instead of new acquisitions. Survey storage areas periodically and consult with the Chief, Property Utilization Branch (PUB), Division of Personal Property Services (DPPS), Office of Logistics and Acquisition Operations (OLAO) on transfer of unrequired property.
- e. Conduct and reconcile annual and special inventories and furnish reports of completed inventories to the ICPAO and Director, DPPS.
- f. Accurately enter property management data into the NIH Property Management Information System or its successor system.

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F. IC Property Accountability Officers

IC Property Accountability Officers (ICPAOs) are the primary individuals responsible for the management, recording, accounting, and reporting of property within their IC. The ICPAO must maintain the viability of the property accounting system within their organization. This function is not delegable.

1. Appointment of ICPAO
 - a. ICPAOs are nominated by the IC Executive Officer (EO) and
 - b. ICPAOs are appointed, in writing, by the IC Director.
2. ICPAO Training
 - a. ICPAO's must receive the same internal training as a PCO.
 - b. ICPAO's should consider supplementing the internal training with additional external training and coursework. Property Management training is offered by the USDA Graduate School and by the National Property Management Association.
3. Responsibilities of ICPAO
 - a. Establish and maintain appropriate management controls to assure the protection, preservation and proper use of property within the IC.
 - b. Maintain and distribute local procedures designed to implement the requirements of the Personal Property Management Guides and other related issuances.
 - c. Assess the vulnerability of IC property management procedures and systems to determine whether or not additional management controls are required.
 - d. Provide management reports as required.
 - e. Ensure their IC maintains sufficient documentation to provide substantiation for all property transactions.

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- f. Ensure their IC establish and maintain accurate and complete property accountability records within the central NIH property system or in a system that is fully compatible with, including all applicable controls and data elements, and directly connected to the central NIH property system.
- g. Recommend appropriate custodial areas to the IC EO.
- h. Nominate IC PCOs to the IC EO.

G. IC Executive Officers

IC Executive Officers (EOs) are the primary official responsible for IC property management activities. As such the IC EO will:

- 1. Identify property custodial areas and appoint PCOs to account for, process transactions related to, and maintain records of property within their areas.
- 2. Serve as the Determining Authority for Board of Survey actions reviewing reports of loss, damage and/or destruction of non-capital property within their IC with aggregate values under \$100,000.
- 3. Ensure enforcement of established and written procedures by requiring that newly acquired property be placed under appropriate control upon receipt, regardless of method of acquisition.
- 4. Assure that maximum use of personal property is obtained and that the requirement to procure new property is minimized, by preserving and reporting used property to DPPS when such property is no longer required for present or firm future needs of their activity.
- 5. Preserve property through a cost-effective system of preventive maintenance.

H. IC Directors

As the management of assets, in particular property assets, is a significant factor in the success or failure of any organization, the IC Directors will:

- 1. Appoint the ICPAO.

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2. Assure that supplies and property are available to serve operations while at the same time maintaining inventory levels at a minimum.
3. Assure that sufficient internal resources are made available for the effective management of property and that authorities and responsibilities are appropriately and effectively placed within their organizations.
4. Assure that ALL personnel understand their personal responsibility for the appropriate use, management and disposition of Government property.
5. Assure controls are established to limit the use of property to official purposes.
6. To the greatest extent possible, address the overall success of property management programs in supervisor's and laboratory chief's performance appraisals. As an example, elements could stress the importance of communicating property management goals, direction and responsibilities to subordinate staff as well as the need to establish and maintain effective management controls within their areas of responsibility.
7. Include a performance element related to property management in the performance appraisals of those individuals directly responsible for the execution of property tasks such as ICPAOs and IC PCOs.
8. Serve as the Determining Authority for Boards of Survey loss, damage or destruction of all IC capital property and only non-capital property reports with aggregate values over \$100,000.

I. IC Boards of Survey

The IC Director appoints the IC Boards of Survey. These boards should be composed of individuals from different levels and occupations within the organization. ICPAOs and PCOs may not serve on IC Boards of Survey. IC Boards of Survey will:

1. Administratively investigate incidence of loss, damage or destruction to NIH personal property including non-accountable property and accountable property up to the NIH capitalization threshold.

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2. Provide recommendations on imposing liability or relieving liability for loss damage or destruction of personal property.
3. Provide annual written reports to the Determining Authority on the state of property management within the organization and reporting any pertinent information such as property loss trends and recommendations to alleviate loss, damage or destruction of property in the future.

For additional information on Boards of Survey see the following web-site:

<http://www3.od.nih.gov/oma/manualchapters/acquisitions/26101-25-2-16/>

J. IC Determining Authorities

IC Determining Authorities are responsible for review, approval and/or disapproval of Board of Survey recommendations. IC Determining Authorities are also responsible for assuring the enforcement of approved recommendations.

K. NIH Transportation Officer

1. Shall assure proper classification, handling, packaging and storage of property during transport.
2. Shall assure that internal movement of NIH property is in compliance with this guidance and associated PPMG chapters.

L. NIH Property Accountability Officer (PAO)

The Chief, Property Administration Branch, DPPS/OLAO/OA, is the NIH Property Accountability Officer (PAO) and shall:

1. Provide overall guidance and direction for the management of personal property throughout NIH, including the issuance of this and other directives.
2. Integrate operations between ICs and between NIH and outside organizations.

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3. Serve as the approval authority for any non-disposal related transactions that delete property or transactions that reduce the value of NIH capitalized personal property.
4. Review IC operations and their written procedures, on a regular basis, to ascertain whether they are in compliance with existing regulations, whether they minimize the risk to Government operations and personal property assets, and whether they obtain the maximum benefit for the Government's investment.
5. Maintain the central property databases.
6. Serve as the Program Officer for the Configuration Control Board.
7. Consolidate reports of the various ICs when necessary to satisfy management reporting requirements.
8. Serve as the coordinator of the property management automated systems and the channel for management information between Property and other administrative systems.
9. Author and interpret directives and instructions, and initiate the implementation of all phases of personal property management.
10. Provide leadership and guidance in the use, care, rehabilitation, and disposal of property.
11. Ensure that property accountability records are verified and reconciled by periodic property inventories.
12. Direct the preparation of documents reflecting acquisition, transfers and disposal, and require receipt of all such transactions.
13. Certify inventory reports and other property status reports. Work with the Office of Financial Management to achieve reconciliation of property management records with accounting records.
14. Coordinate the flow of documents or reports within the NIH and to DHHS.
15. Assist the NIH Board of Survey in their activities.

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16. Establish and maintain the central Property Management Information System, including the central property management tables in the property management database related to property classification, etc.
17. Maintain the standards for barcode technology and control the issuance of bar code numbers.

M. NIH Property Disposal Officer

The NIH Property Disposal Officer is responsible for disposing of personal property that is no longer needed by NIH. This activity includes:

1. Removal of property from custodial areas.
2. Reporting of property for internal NIH reuse.
3. Programs to redistribute, donate, sell, abandon or destroy property in accordance with applicable laws and regulations.

N. NIH Property Management Officer (PMO)

The Director, DPPS, OLAO/OA, is the NIH PMO and shall:

1. Oversee, review and direct an effective system for the accountability, utilization, maintenance, and disposal of personal property.
2. Advise the DHHS on property management policies, systems and procedures in place or being proposed by the NIH.
3. Administer the NIH personal property management program, within the framework of the DHHS instructions.
4. Review and evaluate personal property management activities, identify any weaknesses, and recommend and oversee corrective measures.
5. Approve deviations from this and other NIH Property Guidance when it is determined that said deviation is clearly in the best interest of the Government.

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6. Establish the limits for property control based on a number of factors, including, but not limited to: regulatory requirements; agency experience in loss, damage and destruction of property; and safety and health considerations.
7. Serve as the Program Functional Manager for the Configuration Control Board.
8. Certify ICPAO & IC PCO completion of HHS Personal Property Management Training.

O. NIH Board of Survey

The Director, Office of Administration appoints the NIH Board of Survey (NIHBOS). NIHBOS should be composed of individuals from different levels and occupations from across NIH. NIH and ICPAOs and PCOs may not serve on Boards of Survey. Boards of Survey will:

1. Administratively investigate incidence of the following: a. Loss, damage or destruction to NIH personal property over the NIH capitalization threshold; b. Loss of personal property that could result in a threat to public safety or the environment; c. Loss to central supply systems and cumulative loss to IC supply activities exceeding \$25,000; and d. Loss of property in the custody of Contractors performing within NIH facilities and under NIH's accountability systems.
2. Provide recommendations on imposing liability or relieving liability for loss damage or destruction of personal property to the NIH Determining Authority.
3. Report possible criminal incidents directly to the Inspector General or other appropriate Law Enforcement authorities.
4. Provide annual written reports to the Determining Authority on the state of property management across NIH and reporting any pertinent information such as property loss trends and recommendations to alleviate loss, damage or destruction of property in the future.

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P. Configuration Control Board

The NIH Configuration Control Board (CCB) is composed of representatives from each IC, the DPPS, and the Center for Information Technology. The NIH CCB is responsible for endorsing and prioritizing changes to the Property Management Information System.

Q. Contracting Officer

Property management responsibilities for NIH Contracting Officers are indicated in the NIH Guide for External Property Administration.

R. Grants Officer

Property management responsibilities for NIH Grants Officers are indicated in the NIH Guide for External Property Administration.

S. Property Administrator/Plant Clearance Personnel

Responsibilities of Property Administration and Plant Clearance personnel are indicated in the NIH Guide for External Property Administration.